

New Jersey DWSRF Transfer Authority Technical Assistance to Senator Booker's Office

NOTE TO PETE: THIS FACT SHEET WAS DEVELOPED BY HEADQUARTERS OFFICE OF WATER IN RESPONSE TO A CONVERSATION THEY HAD WITH SEPW ABOUT THIS MATTER. PAD ADDED SOME INFO, MOSTLY RELATED TO YOUR DIRECT ENGAGEMENT.

Background:

- In November, Senate appropriations committee staff, along with staff for Senator Corey Booker, contacted EPA regarding the City of Newark's interest in receiving \$75 million with 100% subsidy (no repayment required) from the New Jersey Drinking Water State Revolving Fund (DWSRF) to address lead in drinking water concerns by replacing lead service lines.
- New Jersey's DWSRF program may not have sufficient funds to address Newark's request while also addressing drinking water infrastructure needs for other communities in the state.
- To inform discussions with Senate staff, EPA's drinking water program explored potential use of existing statutory authorities that give states some ability, within limitations, to transfer funds between their Clean Water and Drinking Water SRFs. EPA is also exploring other potential sources of funding outside of the SRFs.

Key Points:

- New Jersey appears at this time to have fully used its ability to apply this transfer authority.
- EPA Regional Administrator Lopez has convened a (12/18 – **note this will need to be updated after the meeting**) meeting with Newark Mayor Baraka, New Jersey Department of Environmental Protection Commissioner McCabe, and representatives from other federal agencies, including Department of Housing and Urban Development, to help identify potential additional sources of funding for Newark.
- The EPA has provided technical assistance on draft appropriations language that would increase the transfer authority, which could allow New Jersey to choose to transfer additional CWSRF funds to the DSWRF.
- The transfer authority described in technical assistance could enable a state, with concurrence from the EPA Administrator, to transfer additional CWSRF funds that are necessary to help address public health issues due to lead in drinking water, or in instances where a federal or state emergency declaration has previously been issued due to such a threat from lead in a municipal drinking water supply. Eligible recipients would be able to receive these funds without a repayment requirement.

Talking Points:

- The EPA will provide continued technical assistance upon request.